



Transaction Privilege Tax Changes and News

This publication is an informational notice included with the June 2003 Transaction Privilege Tax Return.

City of Page

Effective August 1, 2003: The Mayor and City Council of the City of Page passed ordinance number 457-03. Ordinance 457-03 increases the Page City Privilege Tax from **2% to 3%**. The tax rate increase affects the following classifications:

Advertising; Amusements; Construction Contracting; Job printing; Manufactured buildings; Timbering & other extraction; Publishing; Hotels; Rental of real property; Rental of tangible personal property; Retail sales; Telecommunications; Transporting for hire; Utilities and Use Tax.

Ordinance 457-03 decreases the Tax on **Restaurants and Bars** from **4% to 3%**. **Restaurants and Bars** shall still be reported using **CODE PG3**.

Ordinance 457-03 also increases the tax rate for single item over \$3,000 from **1% to 2%** for **Retail and Use Tax**. The first \$3,000 shall be taxed at 3% and above \$3,000, the measure of tax shall be 2%. The first \$3,000 for retail shall be reported using **PG** and above \$3,000 shall be reported using **PG4**. The first \$3,000 for Use Tax shall be reported using **PG2** and above \$3,000 shall be reported using **PG6**.

There is no pre-existing contract provision in this ordinance.

Town of Guadalupe

Effective August 1, 2003: The Mayor and Town Council of the Town of Guadalupe passed ordinance number 2003-06. Ordinance 2003-06 increases the Guadalupe Town Privilege Tax from **2% to 3%**. The tax rate increase affects the following classifications:

Advertising; Construction Contracting; Job printing; Manufactured buildings; Timbering & other extraction; Publishing; Hotels; Rental of real property; Rental of tangible personal property; Retail sales; Telecommunications; Transporting for hire and Utilities.

Ordinance 2003-06 also increases the Tax on Restaurants and Bars from **2% to 4%**. Restaurants and Bars should be reported using **CODE GU3**.

The increases imposed by this ordinance shall not apply to contracts entered into prior to the effective date of the ordinance. **Pre-existing contracts** should be reported using **CODE GU9** at a rate of **2%**.

Yavapai County Jail Tax Increase

Effective July 1, 2003: The Yavapai County Board of Supervisors voted to increase the County Jail Tax. The new county rate for most business classifications will be 0.25% or .0025. That would be 25¢ (previously 20¢) tax on a \$100 transaction. Exceptions include nonmetal mining (0.156% or .00156), hotel/motel (0.275% or .00275), and jet fuel excise tax (0.152% or .00152). The total combined state and county rate for most transactions will be 6.35%. For more information, check our web site (www.revenue.state.az.us).

Tobacco Retailers - How The New Cigarette Legislation Will Affect You

On May 19, 2003, Governor Janet Napolitano signed into law Senate Bill 1310, which requires the Attorney General to establish a Directory of Cigarettes (including roll-your-own tobacco) approved for stamping and sale in this State and to publish the Directory on the Attorney General's website. The Directory will be published on the Attorney General's website no later than August 18, 2003. Here are two ways in which the legislation will affect you:

- Upon publication of the Directory, it will be illegal for any person to stamp, sell, or offer or possess for sale cigarettes (including roll-your-own tobacco) of a tobacco product manufacturer or brand family that is not included in the Directory. Violation may subject the retailer to civil and criminal penalties.
- Upon publication of the Directory, cigarettes (including roll-your own tobacco) that have been sold, offered for sale or possessed for sale in this State in violation of the statute will be considered contraband and subject to seizure by the Arizona Department of Revenue. Seized cigarettes will be destroyed.

KEEP YOURSELF UPDATED: Visit the web sites of the Arizona Department of Revenue (www.revenue.state.az.us) and Office of the Attorney General (www.attorneygeneral.state.az.us) for further information.

Do you have a business tax question?

Call the Arizona Department of Revenue Taxpayer Information and Assistance Section at 602-255-2060 or toll-free in Arizona 1-800-843-7196

Community OutReach & Education

Check your **It's Your Money** for a list of workshops in your area, www.revenue.state.az.us or call: in the Phoenix area, 602-542-3062 or toll-free in Arizona, 1-877-863-0655.

DOR Website

www.revenue.state.az.us
Check the Department of Revenue's website for all the latest information from the department. You can find tax forms, rulings, procedures, publications and schedules of workshops in your area and much more!

Perfect for Extension &
Late-filed Income Tax
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For e-file details log on to our website at www.revenue.state.az.us.